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CHAMPVA POLICY MANUAL

CHAPTER: 2
SECTION: 30.1
TITLE: PHYSICAL MEDICINE/THERAPY

AUTHORITY: 38 CFR 17.270(a) and 17.272(a)(14)(32)(33)(34)(37)(38)

RELATED AUTHORITY: 32 CFR 199.4 (b)(2)(xi), (b)(3)(vii), and (c)(3)(x)

I. EFFECTIVE DATE

April 19, 1983

II. PROCEDURE CODE(S)

93668, 96000-96004, 97001-97002, 97010-97533, 97542-97750, and 97799

III. DESCRIPTIONS

A. The treatment by physical means, hydrotherapy, heat, or similar modalities, physical agents, bio-mechanical and neuro-physiological principles, and devices to relieve pain, restore maximum function, and prevent disability following disease, injury or loss of a body part.

B. Physical therapy services consist of the physical evaluation of a patient by muscle testing and other means, and the prescribed therapeutic treatment and services of a definite functional nature. Physical therapy services must be prescribed by a physician (or other authorized individual professional provider acting within the scope of his/her license) and professionally administered to aid in the recovery from disease or injury, and to help the patient in attaining greater self-sufficiency, mobility, and productivity through exercises and other modalities intended to improve muscle strength, joint motion, coordination and endurance. If performed by other than a physician, a physician (or other authorized individual professional provider acting within the scope of his/her license) must refer the patient for treatment and supervise the physical therapy.

IV. POLICY

A. CHAMPVA benefits are payable for inpatient or outpatient physical therapy services that are determined to be medically necessary for the treatment of a covered condition, and that are directly and specifically related to an active written regimen.

B. Physical therapy services must be prescribed by a physician and professionally administered to aid in the recovery from disease or injury to help the patient in attaining greater self-sufficiency, mobility, and productivity through exercises and other modalities intended to improve muscle strength, joint motion, coordination, and endurance.

C. If physical therapy is performed by other than a physician, a physician (or other authorized individual professional provider acting within the scope of his/her license) must refer the patient for treatment and supervise the physical therapy.

D. Reimbursement for covered physical therapy services will be based on the appropriate **CPT (Current Procedure Terminology)** codes for the services billed on the claim.

E. Physical therapists are not authorized to bill using E/M (**E**valuation and **M**anagement) codes listed in the Physicians' CPT codes.

F. Physical therapy is covered when prescribed by a physician to improve, restore, maintain function, minimize or prevent deterioration of function (see [Chapter 2, Section 30.15, Rehabilitation \(General\)](#)).

V. POLICY CONSIDERATIONS

A. The following specific physical therapy services are covered:

1. Evaluation procedures, including testing of joint range of motion and mobility, skeletal muscle strength, posture and gait, limb length and circumference, activities of daily living, pulmonary function, sensation and sensory perception, reflexes and muscle tone, sensorimotor and other skilled performance.

2. Massage, cold packs, ice, ice massage, hydrotherapy, hot pack, hydro-collator, infra-red treatments, paraffin and fluidotherapy, when the condition of the patient is such that the skills of a qualified provider are required or when provided as a prerequisite to skilled physical therapy. Hot and cold packs are included across all other professional services. Hence, **CPT** 97010 are not to be paid separately for dates of services on or after March 1, 1997.

3. Therapeutic massage to include "Spray and Stretch," when included as part of an overall physical therapy treatment plan. (No separate payment is allowed for the application of methane spray.)

4. Ultrasound, short-wave, microwave diathermy, ultraviolet, traction, transcutaneous nerve stimulation, iontophoresis and alternate vascular compressor.

5. Mobility evaluation and training, when included as part of an overall physical therapy treatment plan and when there is a reasonable expectation that the patient's ability to ambulate will improve.

6. Therapeutic exercises which require the skills of a qualified provider.

7. Range of motion tests are covered if related to restoration of specific loss of function. Range of motion exercises require the skills of a qualified provider only when they are a part of the active treatment of a specific condition which has resulted in loss or restriction of mobility.

8. Postural drainage, vibration and cupping, breathing exercises, intermittent positive pressure breathing treatments and chest wall mobilization, when provided in the treatment of chronic respiratory diseases.

9. Charges for electrical stimulation (to control pain or to prevent disuse atrophy following prolonged immobilization, injury, or surgery) when rendered by a certified physical therapist practicing within the scope of state licensure where the services are rendered when determined to be medically necessary and appropriate.

10. Charges for debridement when rendered by a certified physical therapist practicing within the scope of state licensure where the services are rendered when determined to be medically necessary and appropriate.

11. Charges for a functional electrical stimulation (in spinal cord injury and other motor neuron conditions) when rendered by a certified physical therapist practicing within the scope of state licensure where the services are rendered when determined to be medically necessary and appropriate.

12. Diapulse for treatment of soft tissue injuries and wounds or lesions that is slow to heal when conventional treatment has failed.

B. Claims submission.

1. Providers are to be encouraged to submit claims monthly for ongoing physical therapy services.

2. At a minimum, all claims must indicate the diagnosis and related functional impairment for which therapy is prescribed, the specific modalities or procedures performed and must identify the specific number of session's per-week, the length of each session, the dates of service, the provider name, and the provider address.

C. Claims adjudication.

1. Physical therapy is covered if medically necessary and appropriate.

2. The following documentation should be included for claims for physical therapy:

a. Diagnosis and brief description of the related functional impairment(s) for which physical therapy is prescribed, including date of onset of the impairment.

b. A treatment plan which includes:

1. Identification of the treatment plans for short-term and long-term objectives.

2. The duration and frequency of the treatment.

3. Documentation of continued progress.

Note: CHAMPVA benefits cannot be extended beyond the point where the patient can reasonably be expected to benefit significantly from continued physical therapy.

D. Duration of physical therapy. Most physical therapy treatments should be completed within 60-days.

E. Physical therapy for the following conditions are covered: (this list is not all-inclusive)

1. DYSFUNCTION: SPINAL COLUMN

a. Conditions:

1. Compression fracture

2. Degenerative osteoarthritis

3. Flexion-extension injury

4. Fusion

5. Herniated nucleus pulposus

6. Kyphosis
 7. Lordosis
 8. Nerve root compression
 9. Nerve root irritation
 10. Osteoporosis
 11. Paraplegia
 12. Post laminectomy
 13. Quadriplegia
 14. Radiculitis
 15. Radiculopathy
 16. Ruptured or prolapsed disc
 17. Sciatica
 18. Spina bifida
 19. Spondylolisthesis
 20. Spondylosis
 21. Strain or sprain
 22. Subluxation
 23. Torticollis
- b. Associated Problems:
1. Abnormal gait pattern
 2. Degenerative disc disease
 3. Guarding
 4. Headaches
 5. Hypermobility or hypomobility of joints
 6. Improper posture and/or body mechanics

control

transfers and gait

7. Inadequate chest excursion
8. Lack of functional range of motion, strength and/or motor
9. Lack of mobility skills for ADL (Activities of Daily Living),
10. Lack or, decreased, or changes in sensation
11. Muscle spasm
12. Muscular imbalance
13. Need of equipment and/or adaptive devices
14. Pain
15. Paralysis
16. Presence of trigger points
17. Weakness

2. DYSFUNCTION: MUSCULOSKELETAL

a. Conditions:

1. Acromioclavicular separation
2. Adhesive capsulitis
3. Arthrogryposis multiplex congenital
4. Bone graft
5. Bursitis
6. Chondromalacia
7. Crush injuries
8. Dupuytren's contracture
9. Fractures
10. Frozen shoulder
11. Hemarthrosis

pregnancy

12. Internal derangement
13. Mechanical low back pain including that associated with
14. Post-dislocation
15. Post-fractures
16. Rotator cuff tear
17. Ruptured ligaments, tendons, muscles
18. Shoulder-hand syndrome
19. Slipped epiphysis
20. Strain or sprain
21. Synovitis
22. Tendonitis

b. Associated Problems

1. Abnormal gait pattern
2. Contractures
3. Disuse atrophy – deconditioning
4. Joint instability
5. Lack of functional ROM (Range Of Motion) and/or strength
6. Lack of joint play
7. Muscle guarding/spasm
8. Muscular wasting
9. Need for muscle re-education
10. Pain

3. DYSFUNCTION: POST-SURGICAL

a. Conditions:

1. Amputation
 2. Arthrodesis
 3. Arthrotomy
 4. Bunionectomy
 5. Cardiac surgery
 6. Disarticulation
 7. Hip and other joint prosthesis
 8. Joint fusion
 9. Joint manipulation
 10. Ligament and tendon repairs
 11. Mastectomy
 12. Open reduction--internal fixation
 13. Patellectomy
 14. Tendon transfer
 15. Thoracotomy
 16. Total ankle arthroplasty
 17. Total hip arthroplasty
 18. Total knee arthroplasty
 19. Total shoulder arthroplasty and
 20. First rib resection
- b. Associated Problems:
1. Abnormal gait pattern
 2. Contractures
 3. Decreased endurance
 4. General deconditioned state

strength

5. Improper posture and or body mechanics
6. Inability or incapability of preserving functional ROM and/or
7. Lack of mobility skills for ADL, transfers, gait
8. Muscle guarding/spasm
9. Need for equipment and/or adaptive devices
10. Need for muscle re-education
11. Need for pre/post prosthetic training
12. Pain
13. Stump and skin care

4. DYSFUNCTION: RESPIRATORY DISTURBANCES

a. Conditions:

1. Asthma
2. Bronchiectasis
3. Bronchitis
4. Chronic obstructive pulmonary disease
5. Cor pulmonale
6. Cystic fibrosis
7. Emphysema
8. Lung infection
9. Middle lobe syndrome
10. Plural effusion
11. Pneumonia
12. Respiratory failure
13. Tuberculosis

b. Associated Problems:

1. Decreased endurance
2. Establish and review home program
3. General deconditioned state
4. Inability to mobilize secretions
5. Inadequate breathing pattern
6. Inadequate chest excursion
7. Lack of skill to cope with shortness of breath
8. Poor cough
9. Shortness of breath with ADL.

5. DYSFUNCTION: DECONDITIONED-DETERIORATED STATES

a. Conditions:

1. Alcoholism
2. Cancer
3. Neurological and cutaneous complication of diabetes mellitus
4. Organ transplant
5. Renal failure

b. Associated Problems:

1. Decreased endurance
2. General deconditioned state
3. Lack of functional ROM, strength and/or motor control
4. Lack of mobility skills for ADL, transfer gait
5. Muscle alienation
6. Pain

6. DYSFUNCTION: ARTHRITIS AND RHEUMATISM

a. Conditions:

1. Acute arthritis or polyarthritis due infection
2. Ankylosing spondylitis
3. Degenerative arthritis
4. Degenerative joint disease
5. Dermatomyositis
6. Juvenile rheumatoid arthritis
7. Osteoarthritis
8. Polymyositis
9. Rheumatoid arthritis
10. Scleroderma
11. Synovitis
12. Systemic lupus erythematosus
13. Traumatic arthritis

b. Associated Problems:

1. Abnormal gait pattern
2. Breathing difficulties secondary to deformities
3. Contractures
4. Decreased endurance
5. General deconditioned state
6. Improper posture and/or body mechanics
7. Incapability of preserving ROM and/or strength
8. Lack of functional ROM strength and/or motor control
9. Lack of knowledge of joint preservation
10. Lack of mobility skills for ADL, transfers, or gait
11. Muscle guarding/spasm

12. Need for equipment and/or adaptive devices
13. Pain
14. Presence of inflammatory process
15. Stress control - joint protection

7. DYSFUNCTION: VASCULAR DISEASE

a. Conditions:

1. Buerger's disease
2. Cellulitis
3. Congestive heart failure
4. Gangrene
5. Intermittent claudication
6. Lymphedema
7. Myocardial infarction
8. Peripheral vascular disease
9. Phlebitis
10. Transient ischemic attacks
11. Varicose veins
12. Venous ulcers

b. Associated Problems:

1. Decreased endurance
2. Edema
3. General deconditioned state
4. Pain
5. Presence of inflammatory process
6. Slow wound healing

7. Wound infection
8. DYSFUNCTION: PERIPHERAL NERVE
 - a. Conditions:
 1. Amyotrophic lateral sclerosis
 2. Bell's palsy
 3. Carpal tunnel syndrome
 4. Erb's palsy
 5. Guillain-Barre syndrome
 6. Herpes zoster
 7. Klumpke's paralysis
 8. Myasthenia gravis
 9. Neuralgia
 10. Neuritis
 11. Peripheral nerve injury
 12. Peripheral neuropathy
 13. Polio
 14. Polyneuritis
 15. Polyradiculitis
 16. Reflex sympathetic dystrophy
 17. Stretch palsies
 18. Thoracic outlet syndrome
 - b. Associated Problems:
 1. Decreased coordination
 2. General deconditioned state
 3. Improper posture and or body mechanics

4. Change or decrease in sensation
5. Lack of functional ROM, strength and/or motor control for ADL
6. Lack of mobility skills
7. Muscle alienation
8. Muscle guarding/spasm
9. Need for equipment or adaptive devices
10. Need for muscle re-education
11. Pain

9. DYSFUNCTION: NERVOUS SYSTEM

a. Conditions:

1. Brain tumor
2. Cerebral arterial sclerosis
3. Cerebral atrophy
4. Cerebral palsy
5. Comatose/semi-comatose
6. Concussion
7. CVA (stroke, hemiparesis)
8. Encephalitis
9. Hydrocephalus
10. Meningitis
11. Mental retardation
12. Multiple sclerosis
13. Paralysis agitans
14. Parkinsonism
15. Subdural hematoma

b. Associated problems:

1. Spasticity, flaccidity
2. Hypertonicity, hypotonicity, fluctuating tone, rigidity, athetosis
3. Absence of righting reaction or equilibrium response
4. Ataxia
5. Contractures
6. Decubitus ulcers
7. Developmental sequence
8. Disturbances of perception, sensation or proprioception
9. Edema
10. Impaired balance
11. Lack of cognitive function (level of awareness)
12. Lack of functional ROM, strength or motor control for ADL
13. Lack of mobility skills
14. Muscle imbalance
15. Need for equipment or adaptive devices
16. Poor coordination
17. Presence of primitive or pathological reflexes

10. DYSFUNCTION: SKIN

a. Conditions:

1. Burns
2. Decubitus ulcers
3. Open wounds
4. Psoriasis
5. Soft tissue ulceration

b. Associated Problems:

1. Contractures
2. General deconditioned state
3. Improper posture or body mechanics
4. Inability or incapability of preserving ROM or strength
5. Lack of functional ROM, strength or motor control for ADL, transfers, or gait
6. Lack of mobility skills
7. Need for wound cleaning, debridement, or dressing
8. Pain
9. Presence of active inflammatory process
10. Slow wound healing
11. Splinting
12. Wound infection

VI. EXCLUSIONS

- A. Diathermy, ultrasound, and heat treatments for pulmonary conditions.
- B. General exercise programs, even if recommended by a physician (or other authorized individual professional provider acting within the scope of their license). [38 CFR 17.272 (a)(38)]
- C. Electrical nerve stimulation used in the treatment of upper motor neuron disorders such as multiple sclerosis.
- D. Electrical stimulation used in the attempt to prevent or reverse muscular atrophy and bone demineralization of paralyzed lower limbs (that provide exercise but not ambulation, to improve gait disorders in patients with hemiplegia, or for functional electric stimulators that permit ambulation by paraplegics).
- E. Separate charges for instruction of the patient and family in therapy procedures. [38 CFR 17.272(a)(33)]
- F. Repetitive exercise to improve gait, maintain strength, endurance, and assisted walking such as that provided in support of feeble or unstable patients.

G. Range of motion and passive exercises that are not related to restoration of a specific loss of function, but are useful in maintaining range of motion in paralyzed extremities.

H. Maintenance therapy **that does not require a skilled level** after a therapy program has been designed (**see [Chapter 2, Section 30.15](#), *Rehabilitation (General)***).

I. Services of chiropractors and naturopaths whether or not such services would be eligible for benefits if rendered by an authorized provider. [38 CFR 17.272(a)(32)]

Note: Physical therapy performed by a chiropractor may be covered if the chiropractor is a licensed, registered physical therapist or, the chiropractor is a MD (Doctor of Medicine) or DO (Doctor of Osteopathy) who holds a valid medical license.

J. Acupuncture with or without electrical stimulation. [38 CFR 17.272(a)(34)]

K. Athletic training evaluation.

L. The physical therapy limitation outlined should not be applied to osteopathic manipulation.

M. Services performed by a physical therapy assistant, who is employed by an independent professional provider, may not be cost shared (see [Chapter 2, Section 15.4](#), *Services Rendered by Employees of Authorized Independent Professional Providers*).

N. CPT codes 97532 and 97533 are not a covered benefit when used as a restorative approach. That is, cognitive function improves as a result of neuronal growth, which is enhanced through the repetitive exercise of neuronal circuits and that recovery of functions is determined by biological events.

O. Sensory integration training.

Note: This policy does not exclude multidisciplinary services, such as physical therapy, occupational therapy, or speech therapy after traumatic brain injury, stroke, and children with an autistic disorder.

P. VAX-D (Vertebral Axial Decompression) for relieving low back pain associated with herniated disc or degeneration disc disease of the lumbar vertebrae is unproven. [38 CFR 17.272(a)(14)]

Q. Anodyne Therapy (a form of infrared therapy) for any condition.

END OF POLICY